



Department of Justice

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FORMER ASBESTOS MONITORING CONTRACTOR PLEADS GUILTY TO MAKING FALSE STATEMENTS

WASHINGTON — A former owner of an asbestos monitoring contractor that provided services to New York Presbyterian Hospital (NYPH) pleaded guilty today for making false statements to FBI agents and representatives of the Department's Antitrust Division, the Department of Justice today announced.

Stephen E. McNulty, of Brooklyn, N.Y., pleaded guilty in U.S. District Court in Manhattan, for lying about his knowledge of a kickback and fraud conspiracy that took place at NYPH.

According to the charge, on Nov. 20, 2007, during an interview with agents of the FBI and representatives of the Antitrust Division, McNulty falsely claimed that he was not aware that any purchasing official at NYPH received kickbacks in return for asbestos monitoring and asbestos removal contracts at NYPH. In fact, at the direction of the owner of an asbestos removal company, McNulty negotiated the amount of the kickbacks with a purchasing official in order for McNulty's company to be the asbestos monitoring company at NYPH. McNulty understood that the kickbacks to that purchasing official totaled at least \$28,000, the Department said.

"This criminal charge serves to underscore the seriousness with which the Justice Department views attempts to compromise the integrity of our investigations," said Scott D. Hammond, Assistant Attorney General in charge of the Department's Antitrust Division. "Today's filing should send a clear signal that the Division is, and will continue to be, committed to prosecuting these violations."

The crime that McNulty is charged with carries a maximum penalty of five years in prison, three years of supervised release and a \$250,000 fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

In April 2007, as part of the same investigation, Michael Theodorobeakos and two maintenance and insulation companies he co-owned—Monosis Inc. and STU Associates Inc.—pleaded guilty to conspiring to rig bids on the supply of maintenance and insulation services to NYPH and Mount Sinai Medical Center (Mount Sinai). In addition, Michael Vignola and Mister AC Ltd. pleaded guilty in November 2007 to conspiring to rig bids on heating, ventilation and air conditioning services provided to NYPH and paying kickbacks to former

NYPH purchasing officials. In April 2008, Aaron S. Weiner pleaded guilty for participating in a conspiracy wherein Weiner acted as a conduit in another million-dollar kickback scheme also involving one of the same former NYPH purchasing officials involved with the Vignola kickback schemes. On March 25, 2009, Mariusz Debowski pleaded guilty to participating in a conspiracy at NYPH to defraud the Internal Revenue Service. Krzysztof Koczon pleaded guilty to participating in that same tax fraud conspiracy on April 2, 2009.

Today's charge arose from an ongoing federal antitrust investigation of fraud, bribery, tax-related offenses and bidding irregularities relating to contracts administered by the Facilities Operations Department and Engineering Department at NYPH and in the Engineering Department at Mount Sinai. The investigation is being conducted by the Antitrust Division's New York Field Office, the FBI and the Internal Revenue Service Criminal Investigation's New York Field Office.

Anyone with information concerning bid rigging or other fraudulent conduct relating to contracts administered by the Facilities Operations Department at NYPH or the Engineering Department at NYPH or Mount Sinai should contact the New York Field Office of the Antitrust Division at 212-264-9308 or the New York Office of the FBI at 212-384-4467.

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